

## **Syracuse, New York - Empowerment Zone Round III Application Summary**

Syracuse proposed 19 census tracts and three Developable Site (D-Sites) areas in its application. The three D-Sites are: 1) Hancock Airport, a former air base; 2) former GM Fisher Guide site; and 3) former General Electric Manufacturing site, identified as a Brownfield site.

The poverty rates for each of the nominated area's census tracts are extremely high, ranging from a low of 34% to a high of 61%. Statistically, the area has presented a compelling case that its poverty has been entrenched and intractable over the past decade and beyond. From 1980 to 1990, poverty rates rose by 43%. In 1990, the nominated area's unemployment rate rose from the 1980 rate of 13.7% to a rate of 16.6 %, whereas the City's overall 1990 unemployment rate was 9.3%.

Because of chronic unemployment, the nominated area has been largely dependent on public assistance with many families now approaching the 5-year Temporary Assistance to Needy Families (TANF) limit. Syracuse has experienced substantial losses in population; this coupled with long standing disinvestments has led to the area's deteriorating physical conditions, such as a high number of abandoned houses and demolitions. Also, disinvestments have taken a toll in terms of human costs, such as large numbers of unemployed residents having inadequate job skills and low education levels.

The application proposed two goals of notable mention. The first was the utilization of a tax incentive and financing package to assist businesses relocating in the nominated area and the conversion of distressed property into affordable housing. Another goal was to create a Tax Incentive Utilization Center (TIUC). In all, the application cited an impressive 28 projects and programs. One example of these projects was the Economic Development Pyramid Corporation Companies project, which plans to expand the 1.5 million square foot Carousel Center Mall. This would create 8,000 permanent jobs, bringing \$2.2 billion in annual economic benefits. Also, the State of New York proposed a Tourism Center within the expanded Carousel Center with a capital investment of \$25 million.

Additionally, the Tax Incentive Utilization Plan (TIUP) within the application was strong because it called for the creation of the one-stop TIUC, which would market local, state and Federal tax incentives to prospective businesses. Marketing practices would include dissemination of mailings, workshops and presentations by local accounting firms, and public hearings. Tax incentive material will be distributed through meetings with local businesses and

professional organizations, trade shows, press conferences, business assistance seminars and other forums.

A local CPA firm will work with individual companies to quantify EZ benefits and to provide ongoing technical assistance. The Strategic Plan clearly showed how it will benefit the City and move it from one of distress to increased opportunities through improvements to the services, housing, job creation and economic development. This will provide a continuum in the improving quality of life in the EZ and surrounding areas.